

PART XV. INFORMATION TECHNOLOGY

Requested by: Senators Reeves, Hagan, Miller, Plyler, Odom, Lee; Representatives Tolson, Tucker, Russell, Miner, Easterling, Oldham, Redwine, Thompson

STATE AGENCIES TO REPORT ON INTELLECTUAL PROPERTY/STUDY STATE INTELLECTUAL PROPERTY ASSETS AND TECHNOLOGY TRANSFERS

SECTION 15.1.(a) Prior to (i) the transfer of any patentable intellectual property or (ii) the release of any State grants or loans to non-State entities for purposes related to the development of patentable intellectual property, the transferring State agency, institution, or other entity of the State shall prepare and submit to the Governor, the Joint Legislative Commission on Governmental Operations, and the Chairs of the House of Representatives Science and Technology Committee and the Senate Information Technology Committee a written evaluation of the following matters:

- (1) If the proposed or pending transaction involves the transfer of patentable intellectual property developed by State employees within the scope of their employment:
 - a. The nature of the State's interest in the patentable intellectual property.
 - b. The potential value of the State's interest in the patentable intellectual property.
 - c. How to best protect the State's interest in the patentable intellectual property, as appropriate.
- (2) If the proposed or pending transaction involves the release of State grants or loans to a non-State entity for purposes related to the development of patentable intellectual property, the measures employed by the non-State entity to assure that the State funds do not inappropriately inure to the benefit of individuals serving in an official capacity for the State, a State agency, or the non-State entity that receives the funds.

SECTION 15.1.(b) The provisions of subsection (a) of this section do not apply to The University of North Carolina and its constituent institutions, or to the North Carolina Community Colleges System, or to employees of these respective institutions who are subject to the intellectual property and inventor policies of the institutions employing them.

SECTION 15.1.(c) The Board of Science and Technology shall study the transfer and use of intellectual property developed with State resources, including State funds, State personnel, or facilities. The Board shall recommend to the Governor and the General Assembly legislation or other mechanisms to promote and